

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 3 - 0 1 3

2. STATE:

Vermont

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

10/1/03

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447 Subpart C

7. FEDERAL BUDGET IMPACT:

a. FFY⁰⁴ \$ 550,000

b. FFY⁰⁵ \$ 600,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Att. 4.19A pg 1b

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Att. 4.19A pg 1b

(03-09)

10. SUBJECT OF AMENDMENT:

Border Teaching Hospital Group

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Charles P. Smith

14. TITLE:

Secretary, Agency of Human Services

15. DATE SUBMITTED:

12/26/03

16. RETURN TO:

Roxanne Doty
Dept. of PATH
103 South Main Street
Waterbury VT 05671-1201

(802) 241-2937

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

DEC 31 2003

18. DATE APPROVED:

MAY 26 2004

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

OCT - 1 2003

20. SIGNATURE OF REGIONAL OFFICIAL:

Dennis G. Smith

21. TYPED NAME:

Dennis G. Smith

22. TITLE:

Director

23. REMARKS:

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
INPATIENT HOSPITAL CARE (CONTINUED)**

Non-Vermont General Hospitals

All out-of-state hospitals are reimbursed by accommodation type at the out-of-state base rate established for the three peer groups (excluding the Critical Access group) in which the hospital would be classified by teaching status or bed size. The teaching-hospital group shall be divided into two groups – border and non-border teaching-hospitals. Border teaching-hospitals shall be those in which 25% or more of their inpatients are Vermont residents. Effective 10/1/03, the out-of-state base rates for SFY04 shall be the same as the median rates for SFY03; except the border teaching-hospital group will have a 16.5% add-on increase to its per diem rates (base rate + add on). All out-of-state critical access hospitals are reimbursed by accommodation type at the out-of-state rate for the non-teaching hospital with less than 80 beds peer group.

The methodology described above does not preclude the program from reimbursing non-Vermont hospitals providing unusual and highly complex services (such as transplants) that are not available in Vermont or border teaching-hospitals. Such services may be reimbursed on a negotiated rate basis.

All General Hospitals

For Medicaid beneficiaries with Medicare eligibility as well, payment is made to providers in an amount determined by Medicare to cover coinsurance and deductible amounts remaining after Medicare payment.

Payments made pursuant to these methods and standards will be deemed to be payment in full for services provided and the hospitals may not bill, or otherwise collect from, the beneficiary or anyone acting on his/her behalf any supplemental amount.

Swing bed, waiting placement and inappropriate level of care days are reimbursed at a per diem rate established by the Division of Rate Setting equal to the average statewide rate per patient day paid for services furnished in nursing facilities during the previous calendar year.

(Continued)

TN # 03-13
Supersedes
TN # 03-09

Effective Date: 10/01/03
Approval Date: MAY 26 2004